

April 16, 2012

Marsha Martin CamWest Development LLC 9720 NE 120th Place, Suite 100 Kirkland, WA 98034

RE: City of Duvall/Wonderland Holdings/Toll Development Agreement

Dear Marsha,

Enclosed please find three signed original Development Agreements. I have notarized Mayor Ibershof's signature. Would you please return one signed original to me after it has been signed and notarized by your parties.

Thank you.

Sincerely,

Jodee Schwinn City Clerk City of Duvall

cc: file

Public Hearing (3-22-12) DEVELOPMENT AGREEMENT BETWEEN THE CITY OF DUVALL, WONDERLAND HOLDINGS, LLC AND TOLL WA LP

Pursuant to the authority granted by RCW 36.70B.170 through .210, the City of Duvall, an Optional Municipal Code City ("City"), Wonderland Holdings LLC, a Washington limited liability company ("Wonderland"), and Toll WA LP, a Washington limited partnership ("Toll") enter into the following agreement ("Development Agreement") dated March 22, 2012 to govern the development and use of that real property described on Exhibits A-2 and B-2 hereto. The City, Wonderland and Toll are also referred to individually as a "Party" and collectively as the "Parties".

RECITALS

- A. Wonderland owns certain real property located within the City of Duvall consisting of two parcels which are more fully described on Exhibit A-1 attached hereto and incorporated herein. After recording of Ordinance 1119 (vacation of 3rd Ave. NE) and associated boundary line adjustment the Wonderland property will consist of two parcels totaling approximately 19.02 acres, which are more fully described on Exhibit A-2 attached hereto and incorporated herein and depicted on Exhibits C-1 and C-2 attached hereto and incorporated herein. The Wonderland property as described on Exhibit A-2 and depicted on Exhibits C-1 and C-2 is referred to herein as the "Wonderland Property" and is the property that is subject to this Development Agreement. The Wonderland Property is zoned Mixed-Use 12 ("MU-12").
- B. Toll is the successor in interest to CamWest Duvall LLC ("CamWest"), a Washington limited liability company, as owner of certain real property located within the City of Duvall consisting of one parcel which is more fully described on Exhibit B-1 attached hereto and incorporated herein. After recording of Ordinance 1119 (vacation of 3rd Ave. NE) and associated boundary line adjustment the Toll property will consist of one parcel totaling approximately 3.09 acres, which is more fully described and depicted on Exhibit B-2 attached hereto and incorporated herein and depicted on Exhibits C-1 and C-2. The Toll property as described on Exhibit B-2 and depicted on Exhibits C-1 and C-2 is referred to herein as the "Toll Property" and is the property that is subject to this Development Agreement. The Toll Property is zoned R-12 and MU-12.
- **C.** The Wonderland Property and the Toll Property collectively are referred to as Duvall Urban Village Division I or DUV I.
- D. Wonderland and CamWest submitted a complete application to the City for preliminary plat approval for DUV I on December 22, 2008 (the "Preliminary Plat") which set out commercial and residential lots, open space/recreation tracts and a park to be developed as part of DUV I and which included a conceptual master plan dividing the development into seven phases. The Preliminary Plat was approved on June 16, 2010. In order to make it economically viable to develop DUV I, Wonderland and Toll wish to record the final plat ("Final Plat") in phases over the term of this Development Agreement as set out generally in the Preliminary Plat application and more fully in this Development Agreement.
- **E.** DMC 14.18.060 requires that a development agreement be approved by the City if a developer proposes development of the commercial portions of property zoned MU-12 in phases. RCW 36.70B.170-.210 authorizes cities to enter into development agreements.
- F. CamWest entered into a Development Agreement with the City dated December 14, 2007 to develop certain real property then owned or controlled by CamWest located to the east of the

proposed DUV I. The property is now owned or controlled by Toll WA LP and is referred to herein as the Toll Development. The Development Agreement for that property is referred to herein as the Toll Development Agreement. The Toll Development property and other properties were annexed to the City on August 9, 2007. Prior to the annexation CamWest and the City entered into a Pre-Annexation Agreement. The Pre-Annexation Agreement and the Toll Development Agreement created certain obligations to construct infrastructure improvements, including the construction of 3rd Avenue improvements in either its former or current right-of-way alignment, and the construction of 2.9 acres of park. Toll as successor in interest to CamWest must file and obtain approval of an amendment to the Toll Development Agreement because property subject to the Toll Development Agreement is located within DUV I, and DUV I provides for development of a one (1) acre park intended to satisfy a portion of the park obligations of the Toll Development Agreement. Toll, as successor in interest to CamWest, is currently in the process of preparing a preliminary plat application for the Toll Development for submittal to the City.

- **G.** The Preliminary Plat for DUV I depicts the 3rd Avenue right-of-way in an alignment to the west of its original location. The City approved the vacation of that portion of the 3rd Avenue right-of-way adjacent to the Preliminary Plat in Ordinance 1119 and in consideration for such vacation Wonderland, Toll and CamWest will dedicate right-of-way to the City for 3rd Avenue in the alignment generally set out in the Preliminary Plat.
- H. Wonderland and Toll wish to vest development of the Wonderland Property and the Toll Property as allowed by RCW 36.70B.180 to the comprehensive plan polices, zoning and other applicable standards and regulations for the term of this Development Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual promises, benefits and obligations set forth herein, the City, Wonderland and Toll enter into the following Development Agreement:

1. TERM AND VESTING

- 1.1 Term. The term of this Development Agreement shall be twelve (12) years commencing from the date of execution by all Parties. Extensions may be granted by the City Council if agreed upon by both Parties.
- Except as otherwise provided herein, this Vesting to Regulations and Standards. 1.2 Development Agreement, and all substantive zoning, building and development regulations and standards set out in the 2006 Comprehensive Plan and amendments thereto, the Duvall Municipal Code ("DMC"), including but not limited to the Uniform Development Regulations adopted in DMC Title 14, the Development Design Standards (July 2007 Update), the 2005 King County Surface Water Design Manual, the November 2008 Park, Trails and Open Space Plan, and the transportation concurrency regulations, SEPA regulations and substantive SEPA policies, and other applicable standards and regulations, laws, ordinances and policies governing land development (cumulatively referred to as "Plans, Regulations and Standards") in effect as of the date of the submittal of the complete Preliminary Plat application (December 22, 2008 or "Vesting Date") shall govern the development of the Wonderland Property and the Toll Property so long as any application required for development (including site plan review approval or if that process is no longer used, the equivalent review process at the time of development and building permit applications) is filed during the term of this Development Agreement. Except as otherwise provided herein, or by county, state or federally mandated laws preempting the City's authority to vest regulations under this Agreement, and excluding impact fees, general facilities charges, revisions to permit processing fees and plan review fees, and procedural regulations and changes thereto, any amendments or additions made during the term of this Development Agreement to the Plans, Regulations and Standards shall not apply to or affect the conditions of development of the Wonderland Property and the Toll Property; provided that pursuant to RCW 36.70B.170(4) the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the

extent required by a serious threat to public health and safety, as reasonably determined by the Duvall City Council after notice and an opportunity to be heard has been provided to Wonderland and Toll; and, provided further, that the Parties may mutually agree to the application of subsequently adopted Plans, Regulations and Standards.

2. PHASED RECORDING OF FINAL PLAT

- 2.1 Recording of Final Plat in Phases. The approved Preliminary Plat includes (74) seventy-four single family lots, (5) five lots to be developed with (101) one-hundred-one condominiums or other multifamily units, (1) one lot to be developed with (6) six live-work units, (4) four commercial lots, two Native Growth Protection Area tracts, and a park lot which will be improved and dedicated to the City. Wonderland and Toll contemplate the development of DUV I in phases. In order to create an economically viable project, the Parties agree that the Final Plat may be recorded in phases over the term of this Development Agreement as generally set out in **Exhibit D-1** (the "Phasing Plan") and depicted on **Exhibit D-2** ("Phasing Map") attached hereto and incorporated herein. The Parties acknowledge that the order of development of the phases will be based on market conditions and other factors, many of which may be beyond the control of the Parties. During the term of this Development Agreement a Final Plat may be approved for any phase or combination of phases in any order, provided that the conditions for Final Plat approval applicable to that phase as set out in the Preliminary Plat approval and the provisions of this Development Agreement have been met.
- 2.2 <u>Completion of Improvements in Accordance with Phasing Plan</u>. In order to obtain Final Plat approval for a phase or phases, the road and utility infrastructure associated with that phase, as set out in the Phasing Plan and the Phasing Map, must be completed and applicable fees due at Final Plat paid to the City for that phase(s).
- 2.3 <u>Preliminary Plat Approval Valid for Term of Development Agreement.</u> The Preliminary Plat approval issued on June 16, 2010 shall be valid for a period that is co-terminus with the twelve year term of this Development Agreement. Extensions may be granted by the City Council if agreed upon by both Parties.
- Minor Modifications to Phasing Plan and Phasing Map. In order to provide for flexibility, minor modifications may be made to the Phasing Plan and Phasing Map prior to Final Plat approval for any phase(s) that has not yet received Final Plat approval, including modifications to phasing boundaries. Such changes under this paragraph 2.4 shall relate only to the Phasing Plan and Phasing Map and not the Preliminary Plat approval. If a change in phase boundaries is proposed, the associated infrastructure (streets, sidewalks, utilities etc.) to be constructed for the revised phase for Final Plat approval shall be adequate to support the revised phase. Minor modifications, including a proposed modification of phasing boundary lines, shall be approved administratively.

3. RESIDENTIAL DEVELOPMENT IN MU-12 AND R-12

3.1 <u>Maximum and Minimum Density</u>. The maximum allowed residential density for DUV I is two-hundred-six (206) residential units, provided that residential units constructed above ground floor commercial that otherwise meet applicable Duvall Municipal Code requirements are not counted towards maximum density. The minimum allowed residential density for DUV I is one—hundred forty-three (143) units. Sixty per cent (60%) of the residential units in the MU-12 zone must be attached. The Preliminary Plat approves one-hundred-eighty-one (181) residential units seventy-four (74) single family lots which will be developed with a mix of attached and detached dwelling units, five (5) lots to be developed with one-hundred-one (101) attached condominiums or other multi-family units and one (1) lot to be developed with six (6) live-work dwelling units. The precise number and types of attached and detached residential dwelling units will be determined during the development review process, subject to the conditions of Preliminary Plat approval, the required percentage of attached units and

compliance with minimum and maximum density requirements.

3.2 Condominium/Multi-family Lots. Condominiums or other multi-family development proposed for Lots 3, 80 and 82-84 (as numbered on the approved Preliminary Plat) will require review through the site plan review process set out in DMC 14.62. In the event that Wonderland wishes to create additional single family lots on those lots for which condominium or other multi-family development is now contemplated, they shall be required to submit and obtain approval of a subdivision application. Such development must maintain the overall project's MU-12 sixty per cent attached unit requirement and minimum density requirements. Any such applications filed during the term of this Development Agreement shall vest to and be considered under the laws and regulations in effect as of the Vesting Date, except as otherwise provided in paragraph 1.1 herein. When reviewing any such application, the City will not impose conditions different from those set out in the conditions of the Preliminary Plat approval, except and only to the extent necessary to address an impact(s) not addressed as part of the Preliminary Plat approval process.

4. COMMERCIAL DEVELOPMENT IN MU-12

Commercial and Mixed Use Development. The approved Preliminary Plat provides for the creation of four commercial lots (Lots 1, 2 4 and 5) for the development of office, commercial, retail and/or mixed uses. In addition, one lot (Lot 81) is proposed for development with six live-work Wonderland will develop the commercial and live-work lots through the site plan review process. Wonderland will submit an application for at least one (1) mixed use building (defined as a building with two or more uses, including live-work units if the live-work units are subject to a recorded covenant on the face of the plat limiting the ground floor to office or other commercial uses) or other commercial building within five years after the Final Plat recording of the first phase of residential development, unless market conditions warrant an extension to ensure successful commercial development in which case the City Council is authorized to modify the timing for development of the mixed use and/or commercial building. Upon approval of all permits for the mixed use or commercial building, construction shall commence within the time period set out in the City's code after applicable permits for such a building are issued. Wonderland shall construct a minimum of fifty thousand square feet (50,000 SF) of office or other commercial uses on the four commercial lots and Lot 81. Each Lot shall have a minimum square footage of office or other commercial uses as follows: Lot 1 - 7,000 SF; Lot 2 - 16,338 SF; Lot 4 - 7,699 SF; Lot 5 - 16,750 SF; and Lot 81 - 2,213 SF. Provided that the minimum commercial square footage required in aggregate has been met (i.e., 50,000 square feet) on developed lots, then the minimum square footages on any remaining undeveloped lots (as set out above) shall not apply provided that the minimum square footage required by Code on each undeveloped lot is met. Furthermore, if Wonderland wishes to reallocate the minimum square footage on any lots as set forth above, Wonderland may submit a request for such modification to the City Council for approval, provided that the minimum commercial square footage required per lot by the Code is met.

5. SEPA PROCESS

5.1 SEPA Threshold Determination and Studies. A SEPA threshold determination was made as part of the Preliminary Plat review process based upon the reports and studies submitted as part of the application. Those reports and studies address sensitive areas, transportation (including analysis of full build-out of the Wonderland and Toll Properties), and a water system analysis for the development area. At the time of submission of site plan permit application for a multi-family, mixed multi-family-single family or commercial development phase of DUV I an environmental checklist will be submitted. The threshold determination shall adopt or incorporate the applicable portions of the MDNS issued for the Preliminary Plat. New MDNS conditions shall be included only to mitigate new environmental impacts not previously analyzed and mitigated by the Preliminary Plat MDNS and conditions of approval. Updates to reports submitted as part of the Preliminary Plat and new reports will be required only to the extent required to address potential environmental impacts not addressed

in the Preliminary Plat process or prior site plan and plat environmental review for the commercial and multi-family lots.

6. AFFORDABLE HOUSING

6.1 Affordable Housing Requirements. Wonderland agrees to provide a minimum of five percent (5%) of housing units at one hundred percent (100%) of the King County Median Income in the Duvall Urban Village Division I development. "King County Median Income" means the income level for King County as defined in the annual Housing Assistance Plan issued by the King County Department of Community and Human Services. Specific median income levels vary according to household size. In the event that King County stops issuing the Housing Assistance Plan, the City and Wonderland will mutually select an alternative standard for determining "median income". Such housing units may be multi-family units or single family units, and for-sale or for-rent, at Wonderland's discretion. These housing units shall be scattered throughout the development, provided that up to three (3) units may be located in any one phase in order to allow for the flexibility to design and construct the units in a manner which maximizes their affordability. Prior to the sale or rental of any affordable units Wonderland will work with the City to develop a mutually acceptable system for assuring that such units are sold or rented as affordable units for at least twenty years after occupancy.

7. TRANSPORTATION IMPROVEMENTS, IMPACT FEES AND IMPACT FEE CREDITS

Timing of Road Improvements. The nature, scope and timing of construction of 7.1 transportation improvements shall be in accordance with the conditions of Preliminary Plat approval, the Phasing Plan set out in Exhibit D-1 and as set out herein. The improvements to Big Rock Road, 3rd Avenue, Old Big Rock Road adjacent to commercial lot 1 (as depicted on the Preliminary Plat drawings) and the roads internal to the Preliminary Plat shall be constructed prior to final plat approval for the phase in which such improvements are required by the Phasing Plan, or a security shall be provided to the City in accordance with the DMC 14.66.080. Wonderland shall satisfy all conditions relating to all other Old Big Rock Road improvements by making a payment to the City as provided herein and it shall become the responsibility of the City to construct such improvements. Except as set forth below with respect to Phases B and F, Wonderland shall pay the City the sum of one hundred seventy five thousand dollars (\$175,000.00) ("OBRR Payment") within ten (10) business days after the issuance of the certificate of occupancy for the one-hundred-twenty-fifth (125th) residential dwelling unit. Each single family detached home, attached home and each unit within a multi-family building shall be counted as one residential unit. If Wonderland fails to make the required payment when due, the City shall not issue any additional certificates of occupancy for residential units until such payment has been made. If Phases B and/or F are proposed for final plat prior to the issuance of a certificate of occupancy for the 125th residential unit, Wonderland shall make an OBRR Payment to the City in the amount of \$75,000. Such payment shall be a condition of the City's issuance of final plat approval for Phases B and F if they are jointly submitted for final plat approval at the same time and if submitted separately shall be a condition of final plat approval for the first of those two phases. Such payment shall satisfy all requirements of DMC 14.66.080 for the final plat for both Phase B and Phase F. The remaining OBBR Payment of \$100,000.00 shall be made to the City within ten (10) business days after the issuance of the certificate of occupancy for the 125th residential dwelling unit. If Wonderland fails to make the required payment to the City, the City shall not issue any additional certificates of occupancy for residential units until such payment has been made. The OBRR Payment shall be adjusted at the time the OBRR Payment is due based upon the percentage increase in the Consumer Price Index for All Urban Consumers Seattle-Tacoma-Bremerton - All Items ("CPI") for the period nearest to the date of this Agreement ("Base Period") and the CPI for the period nearest to the date the OBRR Payment is due ("Payment Period"). For example, if the CPI for the Base Period is 225 and the CPI for the Payment Period is 240, the percentage increase to be applied to the OBRR Payment then due is 6.7% (rounded to the nearest tenth of a per cent) calculated as follows:

CPI Base Period = 225 CPI Payment Period = 240 Index Point Change = 15

% Change = 6.66% [(15 ÷ 225) x (100) = 6.66] rounded to 6.7%

- 7.2 <u>3rd Avenue Relocation</u>. The Preliminary Plat provides for realigning 3rd Avenue to the west of its original location. The City approved vacation of that portion of the 3rd Avenue right-of-way abutting DUV I in Ordinance 1119 and in consideration for such vacation Wonderland and Toll will dedicate right-of-way for 3rd Avenue in the new alignment as generally set out in the Preliminary Plat.
- 7.3 Party Responsible for Constructing Road Improvements. Wonderland and Toll shall jointly be responsible for the construction of the realigned 3rd Avenue road improvements. All other road improvements in any given phase shall be the responsibility of the Party or Parties seeking Final Plat Approval for that phase in accordance with the requirements of the Phasing Plan set out in **Exhibit D-1**.
- 7.4 Payment of Transportation Impact Fees. Transportation impact fees shall be paid at the time of building permit issuance for each single family housing unit, each multi-family building and each commercial building. The amount of the fee per single family unit, per multi-family building and per commercial building shall be the applicable amount set out in the impact fee schedule in effect at the time of building permit issuance for the unit or building, subject to the impact fee credit provisions of paragraph 7.5.
- 7.5 <u>Transportation Impact Fee Credits.</u> Pursuant to State law and the City's Code, a credit shall be applied against transportation impact fees for the value of land dedicated and costs incurred to improve or construct a road identified in the City's capital facilities plan if the improvement is required as a condition of a development approval. The approval for DUV I is conditioned upon the construction of three road improvements identified on the City's capital facilities plan 3rd Avenue, 2nd Avenue and Big Rock Road. The Pre-Annexation Agreement and the Toll Development Agreement also require the construction of 3rd Avenue as a condition of building the Toll Development. Transportation impact fees are paid at the time of issuance of a building permit and transportation impact fee credits may only be applied as an offset to transportation impact fees at the time of payment of the fees. Transportation impact fee credits for 3rd Avenue, 2nd Avenue and Big Rock Road shall be calculated and applied as set forth in subparagraphs 7.5.1 through 7.5.10. The Toll Development shall be eligible for impact fee credits as set out below after approval of a preliminary plat, binding site plan or boundary line adjustment for the Toll Development as these two projects share the improvement obligation and current ownership of the adjacent properties.
- 7.5.1 Costs Eligible for Impact Fee Credits. At the time of payment of transportation impact fees a credit shall be applied as an offset for the eligible costs ("Eligible Costs") incurred and paid for the design and construction of 3rd Avenue, 2nd Avenue and Big Rock Road transportation improvements ("Improvement" or collectively "Improvements") as set out in subparagraphs 7.5.2 through 7.5.10 below. Eligible Costs shall include design and engineering costs for the road (curb, gutter, sidewalk, landscape strip, road/sidewalk storm drainage and lighting); and construction costs (the costs of grading, soil import/export, roadbed preparation/paving, road/sidewalk storm drainage and the portion of the detention facilities serving the Improvements, landscaping; irrigation and street lighting). Eligible Costs shall also include the value of property dedication required for construction of the Improvements for 2nd Avenue, and for the value of property dedication required for construction of the Big Rock Road Improvements. Eligible Costs shall not include the value of that portion of 3rd Avenue dedicated to the City by Wonderland and Toll as consideration for the vacation of the existing 3rd Avenue right-of-way, but shall include the value of any additional right-of-way acquisition if needed to construct the 3rd Avenue Improvements. The amount of Eligible Costs shall be based on invoices or other cost documents and the value of dedicated land shall be based upon a

valuation of \$15 per square foot as set out in **Exhibit E** attached hereto and incorporated herein. Separate records shall be kept for each Improvement and such records shall be provided to the City on a quarterly basis. No credit shall be given for right-of-way dedication and unit costs in excess of those amounts set out in **Exhibit E** attached hereto and incorporated herein, except to account for annual inflation for the period between 2009 and the date such Eligible Costs were incurred.

- **7.5.2** <u>2nd Avenue</u>. In accordance with the Preliminary Plat approval, if 2nd Avenue is removed from the City's TIP and the road stub connection to the north is not required, then there shall be no impact fee credit for 2nd Avenue and Wonderland shall be allowed an additional lot.
- 7.5.3 Percentage of Eligible Costs allowed for Credit. Impact fee credits for Eligible Costs shall be applied in accordance with the City's 2009 transportation impact fee methodology as set out in **Exhibit E** in the percentages set out below.
- (i) A credit of seventy-six percent (76%) shall be given for Eligible Costs incurred for 3rd Avenue within the right-of-way dedicated to the City as part of the vacation of the existing 3rd Avenue right-of-way. There is an excess of 8,802 square feet of right-of-way being vacated to the applicant and the value of the excess 8,802 square feet will be subtracted from the total credit available for the 3rd Avenue NE improvements.
- (ii) A credit of twenty-one percent (21%) shall be given for Eligible Costs incurred for that portion of Big Rock Road directly abutting the Duvall Urban Village Division I property.
- (iii) A credit of the eighty-three percent (83%) shall be given for Eligible Costs incurred for that portion of 2nd Avenue within the Duvall Urban Village Division I property.
- (iv) A credit of one-hundred (100%) shall be given for Eligible Costs incurred to design and construct any part of the 2nd Avenue and Big Rock Road Improvements that do not directly abut the Duvall Urban Village Division I property ("Off-Site Improvements"), including the costs to acquire additional right-of-way if needed to construct those Improvements. A credit of one-hundred (100%) shall also be given for Eligible Costs incurred for any part of 3rd Avenue located outside of the proposed project boundaries, including the cost to acquire additional right-of-way if needed to construct the Improvements.
- 7.5.4 Commencement of Transportation Impact Fee Credits. Transportation impact fee credits for Eligible Costs incurred and paid for are "earned" commencing from the date construction drawings have been approved by the City for an Improvement to be constructed as part of a phase (as set out in the Phasing Plan) and may be applied to offset transportation impact fee payments made after that date as set out in paragraphs 7.5.5 through 7.5.7. In no event shall transportation impact fee credits exceed the amount of transportation impact fees owing as provided herein. Transportation impact fee credits shall be available as provided herein until the Improvements have been fully constructed and all impact fee credits for Eligible Costs have been fully expended.
- 7.5.5 <u>Allocation of Available Credits for 2nd Avenue and Big Rock Road Improvements.</u> Only Wonderland and its successors in interest in Phases A, B, C, D, F and G are entitled to transportation impact fee credits for Eligible Costs for the 2nd Avenue and Big Rock Road Improvements to offset impact fees owing for those Phases. No credits may be transferred to property outside of DUV I. The impact fee credits shall be applied as an offset to transportation impact fees paid at the time of issuance of a building permit (in the order received) for those Phases until such time as all available credits for Eligible Costs for those Improvements have been utilized.
- **7.5.6** <u>Allocation of Available Credits for 3rd Avenue Improvements</u>. Both Wonderland and Toll are entitled to fifty percent (50%) each of the transportation impact fee credits for

Eligible Costs for the 3rd Avenue Improvements. Transportation impact fee credits for 3rd Avenue may only be used to offset transportation impact fees paid for DUV I and the Toll Development and shall be applied as follows:

- (i) Fifty percent (50%) of transportation impact fee credits for the Eligible Costs for the 3rd Avenue Improvements shall be allocated to Wonderland and its successors in interest, if any, for Lots 1-5 and 24-84 (as numbered on the approved Preliminary Plat). The impact fee credits shall be applied as an offset to transportation impact fees paid at the time of issuance of a building permit (in the order received) for those Lots until such time as all available credits for Eligible Costs for those Improvements have been utilized.
- (ii) Fifty percent (50%) of transportation impact fee credits for the Eligible Costs for the 3rd Avenue Improvements shall be allocated to Toll for Lots 6-23 (as numbered on the approved Preliminary Plat) and to the future Toll Development which is also subject to an obligation to construct the 3rd Avenue Improvements, as set out in the Toll Development Agreement and Pre-Annexation Agreement. The impact fee credits available to Toll shall be applied as an offset to transportation impact fees paid at the time of issuance of a building permit (in the order received) for Lots 6-23 of DUV I and the Toll Development, as described in the Toll Development Agreement (excluding the lot to be conveyed to the City unless such lot is acquired by or re-conveyed to Toll or a successor in interest in the Toll Development property) and any amendment thereto, until such time as all available credits for Eligible Costs for the 3rd Avenue Improvements have been utilized.
- 7.5.7 Reallocation of Impact Fee Credits. Wonderland and/or Toll, and their successors and assigns may jointly request that the City Council approve a reallocation of the percentage of their respective impact fee credits by jointly submitting the reallocation formula to the City in writing, provided that the credits attributable to the 2nd Avenue and Big Rock Improvements may only be used to offset DUV I transportation impact fees, and the credits allocated for the 3rd Avenue Improvements may only be used by Wonderland to offset transportation impact fees paid for DUV I and by Toll to offset impact fees paid for DUV I and for the Toll Property. If approved by the City Council the reallocation shall be implemented by the City no later than 30 days after such approval. Any such reallocation shall not be considered an amendment to this Development Agreement, but shall be recorded with King County and a copy kept at Duvall City Hall and made available to anyone requesting review or a copy.
- 7.5.8 Recordkeeping by Wonderland and Toll. Accurate records of all Eligible Costs and payments therefore shall be maintained by Wonderland and Toll for each Improvement. Separate records shall be kept for each Improvement. Eligible Costs associated with any offsite portion of an Improvement shall be segregated from costs associated with that part of an Improvement directly abutting the DUV I property. Such records shall be provided to the City on a quarterly basis.
- 7.5.9 Recordkeeping by the City. The City shall maintain accurate records to reflect Eligible Costs for each road Improvement ("Transportation Impact Fee Credit Accounts"). Eligible Costs associated with any offsite part of an Improvement shall be segregated from Eligible Costs associated with that part of the Improvement directly abutting the DUV I property. The City shall maintain separate records and separate Transportation Impact Fee Credit Accounts for 2nd Avenue and Big Rock Road from which Wonderland and its successors and assigns may draw. There shall be two Transportation Impact Fee Credit Accounts for 3rd Ave. The Wonderland 3rd Ave Transportation Impact Fee Credit Account.
- **7.5.10** Misapplication of Impact Fee Credits by the City. The City shall use its best efforts to allocate impact fee credits to the proper Party as provided above, but shall have no liability to Wonderland or Toll for credits issued in error unless the City intentionally issues the credit to the wrong Party or was grossly negligent.

8. PARK AND PARK FEES

- A one acre park to be dedicated to the City upon completion of Construction of Park. 8.1 construction was included in the DUV I Preliminary Plat (Tract 989) as part of Phase E (as depicted on Exhibit D-2). The park will be developed by Toll. The park was not counted towards the open space and park requirements of DUV I. A conceptual park design and park amenities have been reviewed by the City and found to be consistent with the City's Parks, Trails and Open Space Plan, including Appendix E ("Park Plan"). A recordable form of the conceptual park design is set out in Exhibit F-1 and a list of park amenities is set out in Exhibit F-2 which are attached hereto and incorporated herein. A color copy of the conceptual park design with additional detail is on file with the City. The Parties agree that the final design and improvements to the Tract 989 Park shall be substantially similar to the conceptual park design and amenities set out in Exhibit F-1 and Exhibit F-2 and the more detailed copy on file with the City. Because the final design is subject to an additional City review and approval process the Parties agree that although the park shall be substantially similar to the conceptual park design and amenities set out in Exhibit F-1 and Exhibit F-2 there must be flexibility on the part of both Parties as to the final design. For example, in order to achieve the design set out in Exhibit F-1, the City must grant modifications to the design standards that limit the height and spacing of retaining walls. Other modifications may be required such as allowing grades of 2:1 or 2.5:1 in appropriate areas or allowing angle or head in parking along the park frontage instead of parallel parking. Therefore, the City agrees that it will grant modifications to wall height and grades and such other modifications as are necessary for Toll to achieve the design set out in Exhibit F-1. Additionally the City will evaluate the fiscal impacts to the City of owning and maintaining the park amenities. In particular the City will evaluate the fiscal impacts of running and maintaining the water play feature, and, in its discretion, may decide that this amenity should be replaced by an alternative amenity. In the event the City determines that the water play area should be eliminated, an amenity may be substituted provided that the substituted amenity is determined to be feasible for both Parties and the cost does not exceed the cost of the water play area being replaced.
- 8.1.1 <u>Land Credit if Final Design of Tract 989 Park is Substantially Similar to Conceptual Design</u>. If the final design is substantially similar to **Exhibits F-1** and **F-2** and any revisions thereto as provided in paragraph 8.1 and agreed to by Toll and the City, then Toll shall have fully satisfied its obligations under this paragraph and a one hundred per cent (100%) land credit shall be given towards the 3 one-acre park requirement of the Toll Development Agreement, leaving an obligation to construct 2 one-acre parks in the Toll Development.
- Process if Final Design Not Substantially Similar to Conceptual Design. 8.1.2 the event that the Parties do not reach agreement on a final design of the park that is substantially similar to the conceptual design on file with the City and Exhibits F-1 and F-2 and revisions thereto as provided in paragraph 8.1, or if an alternative design is presented and the City determines that it fails to comply with the provisions set out herein and it does not provide sufficient amenities to grant a land credit of one hundred per cent (100%) to the Toll Development, the City will so advise Toll and provide Toll with an additional opportunity to revise the design. In the event that the City and Toll still do not agree the City shall determine the land credit to be granted based upon the usability of the park and compliance with the City's Park Plan, including Appendix E thereto and the deficit in amenities as compared to the conceptual design on file with the City and as set out in Exhibits F-1 and F-2. Toll will add up to a maximum of one-half (1/2) of an acre of park contiguous to one of the parks Toll will construct in the Toll Development based upon the City's determination of the deficit in useable amenities. For example, if the City determines that 75% of the Tract 989 park is useable and compliant with the Park Plan and 25% is not compliant, Toll will add one-quarter (1/4) acre to one of the two parks in the Toll Development. If the City determines it is 50% compliant and useable, then Toll will add one-half (1/2) acre to one of the parks in the Toll Development.

- 8.1.3 Effect of Approval of Park Design. Upon approval of the final design of the park whether under paragraph 8.1.1 or 8.1.2, the inclusion of the Tract 989 park in DUV I will satisfy one (1) acre of the obligation set out in the Toll Development Agreement to construct and dedicate one 2.9 acre park or three one acre parks to the City. If the final park design is substantially similar to Exhibit F-1 in accordance with paragraph 8.1.1 Toll shall receive a one-hundred per cent land credit, leaving an obligation to construct the remaining park area (two 1-acre parks or one 1.9 acre park) in the Toll Development. If the final design is not substantially similar to Exhibit F-1 Toll shall be obligated to construct the remaining park area (two 1-acre parks or one 1.9 acre park) on the Toll Development plus any additional acreage that may be required pursuant to paragraph 8.1.2.
- 8.1.4 Toll Option to Not Develop Tract 989 Park. If Toll develops the Tract 989 Park, Toll shall be solely responsible for the construction of park improvements. If Toll chooses to exercise its option under the preliminary plat approval not to develop Tract 989 as a park, Toll and any successor in interest in Tract 989 shall be entitled to develop Tract 989 with residential and/or other uses allowed in the MU-12 and R-12 zones, subject to the applicable approval process in the City's Code, as provided in the Preliminary Plat approval.
- 8.2 <u>Park Impact Fees</u>. Park impact fees shall be paid at the time of building permit issuance for each single family housing unit and each multi-family building in accordance with the impact fee schedule in effect at the time of building permit issuance, subject to the impact fee credit provisions of paragraphs 8.3 and 8.4.
- Park Impact Fee Credits. Impact fee credits shall be applied as set out herein to 8.3 DUV I and the Toll Development. The Toll Development shall be eligible for impact fee credits as set out herein after approval of a preliminary plat, binding site plan or boundary line adjustment for the Toll Development. Toll shall receive a one hundred percent (100%) credit against park impact fees for costs incurred for eligible park improvements ("Eligible Park Improvements") for the Tract 989 park, any additional park constructed in the Toll Development pursuant to paragraph 8.1 hereof, and as provided in the Toll Development Agreement for the parks constructed by Toll in the Toll Development. Except as set forth in paragraph 8.4, Wonderland shall not be entitled to park impact fee credits. Eligible Park Improvements include design costs, grading, top soil, plantings, irrigation facilities, play equipment, courts, picnic areas, trails, structures, walls, fixtures, hardscape improvements, lighting, water play equipment, enhanced parking (e.g. angle or head in), public art, other park amenities, utility stubs and facilities needed to serve the park. No park impact fee credits shall be granted for land costs for the Tract 989 park or road improvements internal to the Duvall Urban Village Division I property used to access Tract 989. Toll or any successor in interest shall maintain accurate records of all costs and payments for Eligible Park Improvements. Park impact fee credits for Eligible Park Improvements incurred and paid for may be used to offset park impact fees commencing from the date that the City has approved the design of the Tract 989 park. Park impact fee credits may be used by Toll to offset impact fees owing for Lots 6-23 of DUV I (as numbered on the approved Preliminary Plat), any other property Toll may acquire within DUV 1, and for the Toll Development as these two projects share the improvement obligation and current ownership of the adjacent properties. No credits may be transferred to property outside of DUV I or the Toll Development. The park impact fee credits shall be applied as an offset to park impact fees paid at the time of issuance of a building permit (in the order received) for Lots 6-23 of DUV I, any other property Toll might acquire in DUV 1, and for single and multi-family residential development in the Toll Development. Park impact fee credits shall be available as provided herein until the Tract 989 park improvements have been fully constructed and all impact fee credits for Eligible Park Improvements have been fully expended. In no event shall park impact fee credits exceed the amount of park impact fees owing as provided herein.
- 8.4 <u>Wonderland Construction of the Park.</u> Wonderland and Toll may jointly request the City Council to reallocate the impact fee credits attributable to the Tract 989 park in the event that Wonderland constructs some or all of the park. Such reallocation if approved shall be implemented by

the City no later than 30 days after receipt of such notice. Any such reallocation shall not be considered an amendment to this Development Agreement, but shall be recorded with King County and a copy kept at Duvall City Hall and made available to anyone requesting review or a copy. In the event Wonderland constructs some or all of the Eligible Park Improvements, Wonderland shall maintain accurate records of all costs and payments eligible for credit.

8.5 <u>Misapplication of Impact Fee Credits by the City</u>. In the event that Wonderland and Toll advise the City that Wonderland is entitled to some or all of the available park impact fee credits in accordance with paragraph 8.4, the City shall use its best efforts to allocate impact fee credits to the proper Party as provided above. However, the City shall have no liability to Wonderland or Toll for credits issued in error unless the City intentionally issues the credit to the wrong Party or was grossly negligent.

9. OTHER FEES AND CHARGES

- 9.1 Sewer General Facilities Charges. Sewer general facilities charges shall be paid at the time of Final Plat approval for each development phase consisting of single family lots. The amount paid shall be calculated by multiplying the applicable charge per ERU times the number of single family lots created by that phase. Sewer general facilities charges shall be paid at the time of building permit issuance for each condominium and multi-family building in a development phase that includes condominiums, and for each commercial building in a development phase that includes a commercial building. The amount paid shall be calculated by applying the applicable charge times the ERU for each multi-family building and each commercial building. In the event that a development phase contains a mixture of single family lots, condominium and/or commercial lots the sewer general facilities charge shall be paid at the time of Final Plat approval for the single family lots and at the time of building permit issuance for each condominium and commercial building to be constructed.
- 9.2 <u>Sewer Equalization Fees</u>. Sewer equalization fees shall be paid at the time of Final Plat approval for each development phase consisting of single family lots, and at site plan approval for each phase consisting of (i) condominiums/other multi-family buildings, (ii) commercial development and (iii) in a development phase that contains a mixture of condominium/multi-family and commercial development. The amount paid shall be calculated by multiplying the fee per gross acre times the number of acres developed in that phase.
- 9.3 Storm Drainage Area Charges. Storm drainage area charges shall be paid at the time of Final Plat approval for each development phase consisting of single family lots, and at site plan approval for each phase consisting of (i) condominiums/other multi-family buildings, (ii) commercial development and (iii) in a development phase that contains a mixture of condominium/multi-family and commercial development. The amount paid shall be calculated by multiplying the charge per gross acre times the number of acres developed in that phase.
- 9.4 School Impact Fees. Fifty per cent of school impact fees owing at the time of any Final Plat approval, if any, shall be paid at the time of Final Plat approval for a development phase consisting only of single family lots and the remaining fifty per cent shall be paid at the time of building permit issuance for each single family unit if such impact fees are then owing. All such impact fees shall be computed based upon the impact fee schedule in effect at the time of Final Plat approval. One hundred per cent of school impact fees shall be paid for a condominium building at the time of building permit issuance for each condominium building in a development phase that includes only condominium based upon the impact fee schedule in effect at the time of Final Plat approval for the condominium lot. In the event that a development phase contains both single family lots and condominium lots, fifty per cent of the school impact fee shall be paid at the time of Final Plat approval for each single family lot created and the remaining fifty per cent fee shall be paid at the time of building permit issuance for each single family unit. One-hundred percent of the impact fees for a

condominium building shall be paid at the time of building permit issuance for each condominium building to be constructed on the condominium lot(s). All such impact fees shall be based upon the impact fee schedule in effect at the time of Final Plat Approval for that development phase

9.5 <u>Water Capital Improvement Charges</u>. Water capital improvement charges shall be paid at the time of issuance of building permits for each single family unit and for each condominium and commercial building.

10. MISCELLANEOUS

- 10.1 Amendment to Toll Development Agreement. An amendment to the Toll Development Agreement must be submitted and approved no later than (i) the approval of construction drawings for the first phase of DUV I, or (ii) prior to any preliminary plat approval of the Toll Development, whichever occurs first. References to the Toll Development Agreement in this Development Agreement shall be construed to include amendments to the Toll Development Agreement approved by the City Council after the date of approval of this DUV I Development Agreement.
- 10.2 <u>Construction</u>. The Parties shall cooperate in good faith and in a spirit of cooperation and fair dealing in the interpretation and application of the terms of this Agreement.
- 10.3 <u>Parties/Authority and Recording.</u> The signatories to this Agreement represent that they have the full authority of their respective entities to commit to all of the terms of this Agreement, to perform the obligations hereunder and to execute the same. A complete copy of this Agreement shall be recorded with King County and a copy kept at Duvall City Hall and made available to anyone requesting review or a copy.
- 10.4 <u>Voluntary Agreement.</u> The Parties intend and acknowledge that this Agreement is a voluntary contract binding upon the Parties hereto, as well as their successors and assigns.
- 10.5 <u>Amendment of Agreement.</u> Except as set forth herein, this Agreement shall only be amended in a writing signed by all Parties and only after approval by the Duvall City Council.
- 10.6 <u>Applicable Law.</u> This Agreement is entered into under the laws of the State of Washington, and the Parties intend that Washington state law shall apply to interpretation of this Agreement.
- Dispute Resolution. In the event of any dispute between the Parties arising from this Agreement, the Parties will first attempt to resolve the dispute informally. In the event of a dispute that cannot be resolved, the Parties shall then attempt to resolve the dispute through mediation. Any Party may invoke mediation by providing the other Parties with written notice setting forth the Party's claim in detail and explaining the relief requested. The Parties shall attempt to agree on a mutually acceptable mediator during the next thirty days. If agreement is not reached within such time period, any Party may request that the Presiding Judge of the King County Superior Court appoint a mediator. In any mediation action, the Parties shall share equally in the costs of mediation, including the fees of the mediator. In the event that mediation cannot resolve the dispute, the matter shall be submitted to binding arbitration. Any Party may invoke arbitration by providing the other Parties with written notice setting forth the Party's claim in detail and explaining the relief requested. The Parties shall attempt to agree on a mutually acceptable arbitrator during the next thirty days. If agreement is not reached within such time period, any Party may request that the Presiding Judge of the King County Superior Court appoint an arbitrator. The arbitration shall be conducted pursuant to the Rules of the American Arbitration Association, regardless of whether the arbitrator is a member of that Association. The arbitrator's fee shall be divided equally between the Parties, provided the arbitrator shall award all

costs, including the arbitrator's fee, to the prevailing Party or Parties if the arbitrator determines that a Party has pursued claims in bad faith or claims which are frivolous.

- 10.8 <u>Venue.</u> Venue and jurisdiction to enforce all obligations under this Agreement, including judicial review as provided under RCW 7.04A, shall lie in the King County Superior Court.
- 10.9 Attorneys' Fees and Costs. In any mediation action, the Parties shall pay their own attorney's fees and costs. In any arbitration or judicial action to enforce or determine a Party's rights under this Agreement, the prevailing Party (or the substantially prevailing Party, if no one Party prevails entirely) shall be entitled to reasonable attorneys' fees and costs, including fees and costs incurred in the appeal of any ruling of a lower court. In the event of litigation or arbitration between the Parties hereto, declaratory or otherwise, in connection with this Agreement, the prevailing Party shall recover its reasonable costs and attorneys' fees actually incurred, including for appeals, which shall be determined and fixed by the court or arbitrator as part of the judgment, provided the Parties hereby agree that the amounts actually charged to the Parties by their respective counsel shall be presumed to be reasonable by any court or arbitrator and shall not be reduced or increased unless the court or arbitrator specifically finds that the rates for such legal work were unreasonable or that some portion of the legal work was unnecessary or performed without justification.
- 10.10 <u>Severability</u>. If any term or provision of this Agreement, or its applicability to a particular situation, is found to be invalid, void or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement shall continue in full force and effect unless and to the extent the remaining provisions, if implemented, would be inconsistent with or otherwise fail to carry out the mutual intent of the Parties.
- **10.11** <u>Mutual Drafting and Construction</u>. The Parties agree that all Parties participated fully in the negotiation and drafting of this Agreement and the rules of construction of ambiguities against the drafter shall not apply.
- **10.12** <u>No Third Party Beneficiaries</u>. Except as set forth explicitly herein, nothing in this Agreement is intended to create any third party beneficiary relationships.
- 10.13 <u>No Joint Venture</u>. Nothing in this Agreement is intended to create any type of joint venture or partner relationship between any of the Parties as to Duvall Urban Village Division I or its development.
- 10.14 <u>Use Restrictions</u>. The use restrictions set out in that use restriction agreement recorded under King County recording number 20080403001510 shall apply to DUV I as set out therein.
- 10.15 <u>Successors and Assigns</u>. If Wonderland and/or Toll convey some or all of the Wonderland Property and/or the Toll Property to a development entity during the term of this Agreement, the parties to the conveyance may agree that the terms and conditions of this Agreement shall be binding upon and inure to the benefit of such successors and assigns. In that case, the assigning Party shall be relieved of all obligations hereunder, except to the extent that the assigning Party retains ownership of any property subject to this Agreement.
 - 10.16 Counterparts. This Agreement may be executed in counterparts.

10.17 Effective Date. This Agreement shall become effective on the fifteenth (15th) day following the recording of both Ordinance 1119 (authorizing the vacation of the southerly portion of 3rd Avenue, also known as 268th Ave. NE) and the associated boundary line adjustment. The Parties will use their best efforts to complete these requirements promptly so that the Parties can record Ordinance 1119 and the boundary line adjustment no later than sixty days after the execution of this Agreement by all Parties. If 60 days after execution of this Agreement by all Parties both Ordinance 1119 and the associated boundary line adjustment have not been recorded, this Agreement will become effective on the 61st day for the purpose of vesting to regulations and standards. The remaining provisions shall become effective upon recording of both Ordinance 1119 and the associated boundary line adjustment.

Date: March 22, 2012	
CITY OF DUVALL	Attested to by
ByWill Ibershot, Mayor	Jodee Schwinn, City Clerk
Approved as to form: Bruce Disend, City Attorney	
Date: 4/12/12	
WONDERLAND HOLDINGS LLC, a Washington limited liability company By: Washington Real Estate Holdings, LLC Its: Manager	C, a Washington limited liability company
By: Craig Wrench Its: President	
Date:	
TOLLWA LP, a Washington limited partner By: Toll WA GP CORP, a Washington corp Its: General Partner	
By: Eric H. Campbell Its: Division President	

STATE OF WASHINGTON))ss.
COUNTY OF KING)
me, and on oath stated that he Mayor of the City of Duvall, a	now or have satisfactory evidence that Will Ibershof appeared before was authorized to execute this instrument, and acknowledged it as the Nashington municipal corporation, to be the free and voluntary act of poses mentioned in this instrument.
GIVEN under my hand and offic	cial seal this 22 day of MARCH , 2012.
OF WASHINGS	Signature of Notary Print Name: NOTARY PUBLIC in and for the State of Washington, residing at: My commission expires: 7/29/15
STATE OF WASHINGTON COUNTY OF KING))ss.)
me, and on oath stated that he President of Washington Real I of Wonderland Holdings LLC, a	now or have satisfactory evidence that Craig Wrench appeared before was authorized to execute this instrument, and acknowledged it as the Estate Holdings, LLC, a Washington limited liability company, member washington limited liability company, to be the free and voluntary act ourposes mentioned in this instrument.
GIVEN under my hand and offic	cial seal thisday of, 2012.
	Signature of Notary Print Name: NOTARY PUBLIC in and for the State of Washington, residing at: My commission expires:

STATE OF WASHINGTON)	
COUNTY OF KING) ss.)	
before me, and on oath stated that the Division President of Toll	now or have satisfactory evidence hat he was authorized to execute this WA GP Corp, a Washington corportnership, to be the free and volunt instrument.	s instrument, and acknowledged it oration, the general partner of Toll
GIVEN under my hand a	and official seal thisday of	, 2012.
	Signature of Notary Print Name:	
		d for the State of Washington,
	My commission expires:	·

EXHIBIT A-1

LEGAL DESCRIPTION WONDERLAND PARCELS PRIOR TO RECORDING OF ORDINANCE 1119 AND BLA

LOT E, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 02-001, AS RECORDED UNDER RECORDING NO. 20020814900002, RECORDS OF KING COUNTY, WASHINGTON;

TOGETHER WITH LOT B, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 08-002, AS RECORDED UNDER RECORDING NO. 20120305900003, RECORDS OF KING COUNTY, WASHINGTON.

EXHIBIT A-2

LEGAL DESCRIPTION WONDERLAND PROPERTY AFTER RECORDING OF ORDINANCE 1119 AND BLA

LOT E, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 02-001, AS RECORDED UNDER RECORDING NO. 20020814900002, RECORDS OF KING COUNTY, WASHINGTON;

TOGETHER WITH LOT B, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 08-002, AS RECORDED UNDER RECORDING NO. 20120305900003, RECORDS OF KING COUNTY, WASHINGTON;

EXCEPT THE FOLLOWING DESCRIBED PORTION THEREOF:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M., BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M.; THENCE SOUTH 1°55'05" WEST ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER 42.16 FEET; THENCE NORTH 88°04'55" WEST 30.00 FEET TO THE NORTHEAST CORNER OF SAID LOT B AND THE **TRUE POINT OF BEGINNING**; THENCE NORTH 89°38'24" WEST 3.50 FEET; THENCE SOUTH 1°55'05" WEST 97.96 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 166.50 FEET; THENCE ALONG SAID CURVE 124.57 FEET THROUGH A CENTRAL ANGLE OF 42°52'07"; THENCE SOUTH 44°47'12" WEST 319.39 FEET; THENCE NORTH 45°12'48" WEST 4.00 FEET; THENCE SOUTH 44°47'12" WEST 180.40 FEET TO THE NORTHERLY MARGIN OF BIG ROCK ROAD; THENCE SOUTH 45°21'01" EAST ALONG SAID NORTHERLY MARGIN 79.00 FEET; THENCE NORTH 44°47'12" EAST 219.69 FEET; THENCE SOUTH 45°21'01" EAST 249.72 FEET TO THE EAST LINE OF SAID LOT B AND A POINT HEREINAFTER DESCRIBED AS "A"; THENCE NORTH 1°55'05" EAST 636.95 FEET TO THE **TRUE POINT OF BEGINNING**;

AND TOGETHER WITH THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M., BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE PREVIOUSLY DESCRIBED POINT "A"; THENCE SOUTH 1°55'05" WEST 184.82 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 50.00 FEET; THENCE ALONG SAID CURVE 115.83 FEET THROUGH A CENTRAL ANGLE OF 132°43'54" TO THE NORTHERLY MARGIN OF BIG ROCK ROAD; THENCE SOUTH 45°21'01" EAST ALONG SAID NORTHERLY MARGIN 195.94 FEET TO A LINE LYING 60.00 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF SAID LOT B; THENCE NORTH 1°55'05" EAST ALONG SAID PARALLEL LINE 299.08 FEET; THENCE NORTH 45°21'01" WEST 81.68 FEET TO SAID POINT "A" AND THE POINT OF BEGINNING.

EXHIBIT B-1

LEGAL DESCRIPTION TOLL PARCEL PRIOR TO RECORDING OF ORDINANCE 1119 AND BLA

LOT A, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 08-003, AS RECORDED UNDER RECORDING NO. 20120305900004, RECORDS OF KING COUNTY, WASHINGTON.

EXHIBIT B-2

LEGAL DESCRIPTION TOLL PROPERTY AFTER RECORDING OF ORDINANCE 1119 AND BLA

LOT A, CITY OF DUVALL BOUNDARY LINE ADJUSTMENT NO. BLA 08-003, AS RECORDED UNDER RECORDING NO. 20120305900004. RECORDS OF KING COUNTY, WASHINGTON;

EXCEPT THE FOLLOWING DESCRIBED PORTION THEREOF:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M., BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M.; THENCE SOUTH 1°55'05" WEST ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER 40.40 FEET; THENCE SOUTH 88°04'55" EAST 30.00 FEET TO THE EAST MARGIN OF 268TH AVENUE AND THE **TRUE POINT OF BEGINNING**; THENCE SOUTH 89°52'49" EAST 3.50 FEET; THENCE SOUTH 1°55'05" WEST 99.92 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 233.50 FEET; THENCE ALONG SAID CURVE 40.48 FEET THROUGH A CENTRAL ANGLE OF 9°55'58" TO SAID EAST MARGIN OF 268TH AVENUE; THENCE NORTH 1°55'05" EAST ALONG SAID EAST MARGIN 140.09 FEET TO THE **TRUE POINT OF BEGINNING**;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 26 NORTH, RANGE 6 EAST, W.M., BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24; THENCE NORTH 89°09'36" WEST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24 A DISTANCE OF 30.01 FEET TO A LINE LYING 30.00 FEET WESTERLY OF AND PARALLEL WITH THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 24; THENCE SOUTH 1°55'05" WEST ALONG SAID PARALLEL LINE 299.73 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 44°47'12" EAST 1.67 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 233.50 FEET; THENCE ALONG SAID CURVE 134.22 FEET THROUGH A CENTRAL ANGLE OF 32°56'09" TO A LINE LYING 30.00 EAST OF AND PARALLEL WITH SAID EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 24; THENCE SOUTH 1°55'05" WEST ALONG SAID PARALLEL LINE 554.05 FEET; THENCE NORTH 45°21'01" WEST 331.40 FEET; THENCE NORTH 45°12'48" WEST 8.00 FEET; THENCE NORTH 44°47'12" EAST 278.24 FEET TO THE TRUE POINT OF BEGINNING.

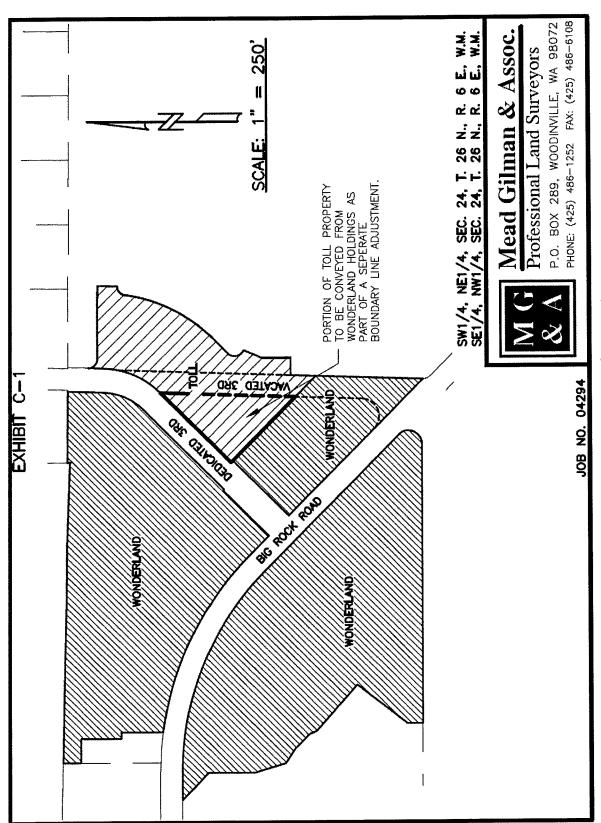


Exhibit C-1 to Development Agreement

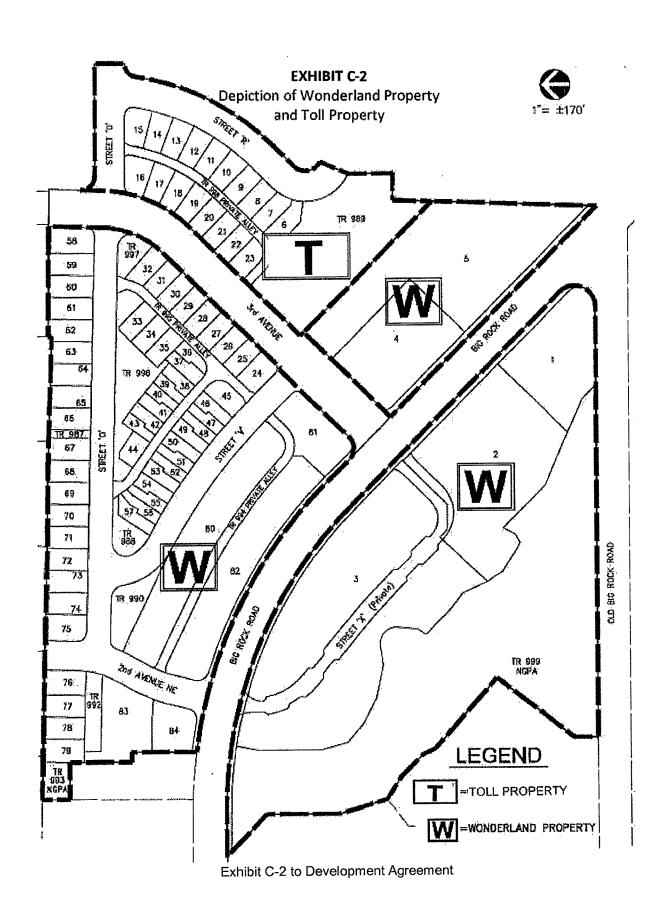


EXHIBIT D-1

PHASING PLAN

PHASE A (Lot 4):

Road and Utility Improvements

1. Big Rock Road

- a. Construct a one-half street improvement where Phase A abuts Big Rock Road (BRR) consistent with the preliminary plat. Improvements shall extend a minimum to the east driveway access curb return from BRR. Install storm drainage, sewer and water stubs to the pad graded lot and the necessary franchise utilities where this Phase abuts BRR.
- b. The sidewalk, street trees and tree grates required along BRR will be installed at the time the commercial building is constructed within Phase A in order to avoid damage to infrastructure that would occur due to the proximity of the building to the front property line. A minimum 5-foot wide ACP sidewalk will be installed along the frontage unless previously constructed or permanent sidewalks installed.
- c. If Phase A is constructed before Phase F or G, install the western half of the median and channelization within Big Rock Road along the frontage where Phase A abuts Big Rock Road (approximately 175 LF). If Phase A is constructed after Phase F or G, install the remaining landscape median in Big Rock Road lying east of the relocated 3rd Avenue NE/Big Rock Road intersection.
- d. A 5-foot wide temporary ACP sidewalk will be installed along the Phase D frontage to connect to the existing sidewalk west of the project unless the Phase D frontage was previously completed.

2. 3rd Avenue NE

- a. Construct a one-half street improvement from BRR to the south boundary of Tract 989 along on the east side of the roadway as depicted on the preliminary plat and a 10-foot wide travel lane west of the center line. Temporary curbing and storm drainage shall be installed on the west side of the roadway to provide for safe channelization. Improvements include the installation of sewer, water and storm drainage utility mains, the extension of utility stubs to the pad graded lot, curb and gutter, paving and franchise utilities (active or dry).
- b. The sidewalk, street trees and tree grates required along 3rd Avenue NE will be installed at the time the commercial building is constructed within Phase A in order to avoid damage to infrastructure that would occur due to the proximity of the building to the front property line. A minimum 5-foot wide temporary ACP sidewalk will be installed along the frontage unless previously constructed or permanent sidewalks installed.

3. Storm Drainage and Detention

a. Construct an offsite temporary detention/water quality pond on Lot 2, 3 or 82 with at least sufficient capacity to serve the stormwater management requirements of Phase A unless the permanent stormwater facility was previously constructed.

4. Grading

- a. Surplus earth material from Phase A (lot 4), Phase C, Phase E (including Tract 989) and Phase G (lot 5) may be transported to Phase B and/or Phase F at the applicants' option in accordance with an approved grading plan and grading permit.
- b. Relocate the driveway to the existing home on the Lake Washington Technical College parcel (tax parcel number 242606-9042) so that it is located outside of the graded area prior to initiation of grading activity within the driveway area.

Water

a. Install the 450-zone water main in Big Rock Road beginning at the PRV located near the intersection of the existing 3rd Avenue NE/Big Rock Road right-of-way and extending west to the new 3rd Avenue NE road alignment. Install the 330-zone and 450-zone water mains as dry lines in 3rd Avenue NE as far as the south boundary of Tract 989.

PHASE B (Lot 3):

Road and Utility Improvements and NGPA Plantings

- 1. Big Rock Road
 - a. Construct a one-half street improvement consistent with the preliminary plat. Install storm drainage, sewer and water stubs to the pad graded lot and the necessary franchise utilities where this Phase abuts BRR.
 - b. If Phase B is constructed before Phase D, install the western half of the landscape median and channelization along the frontage where Phase B abuts Big Rock Road (approximately 190 LF). If Phase B is constructed before Phase D, but after extension of 3rd Avenue NE to the north project limit, install the eastern half landscape median instead of the western half. If Phase B is constructed after Phase D, install the remaining median lying west of the relocated 3rd Avenue NE/Big Rock Road intersection.

2. Street X

- a. Construct a full-street improvement up to the point where this road abuts the commercial parking area proposed within Phase F. From this point, construct a concrete extruded curb and temporary 5-foot wide ACP sidewalk on the east side of Street X to the Street X/BRR intersection.
- 3. Storm Drainage and Detention
 - a. Construct a storm drainage detention vault on the western portion of Phase B.
 - b. Construct the detention vault outflow conveyance pipe extending from the detention vault to and within the Big Rock Road right-of-way and west to Thayer Creek.
 - c. Mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe.
 - Install that portion of the outflow storm drainage conveyance pipe located within Phase B that conveys stormwater runoff from detention vault(s) located within Phase F.
- 4. Wetland/Stream Buffer Enhancement
 - a. Install the stream buffer mitigation plantings in Tract 999 and construct the entire soft-surface trail in Tract 999.
- 5. Grading
 - a. Obtain additional structural material from Phases north of Big Rock Road as necessary to bring Phase B to finish grade in accordance with an approved grading plan. Surplus earth material from Phase A (lot 4), Phase C, Phase E (including Tract 989), and Phase G (lot

5) may be transported to Phase B and/or Phase F at the applicants' option in accordance with an approved grading plan and grading permit.

PHASE C (Lots 24-71, and Tracts 988 and 995-997):

Road, Utility and Open Space Improvements

1. 3rd Avenue NE

a. Construct a curb-to-curb full street improvement from Big Rock Road to the north boundary line of the plat and a sidewalk and planter strip abutting Phase C on the west side of 3rd Avenue NE. Improvement widths shall be consistent with the road section depicted on the preliminary plat drawings and include a 12-foot wide turn lane at the intersection of BRR in accordance with the June 16, 2010 Notice of Decision. A 5-foot wide temporary ACP pathway shall be installed on the Phase D frontage. The sidewalk and planter strip on the east side of 3rd Avenue NE shall be completed as part of the abutting phases.

b. Prepare a LOS analysis at the Big Rock Road/3rd intersection to determine whether an eastbound left turn pocket is necessary on 3rd Avenue NE. Install improvements in

accordance with the conclusions of the LOS analysis.

2. Street V

a. Construct a one-half street improvement including curb and gutter as depicted on the approved preliminary plat drawings. The planter strip and sidewalk on the south side of Street V will be constructed with Phase D. Stub utilities as necessary to serve the future Phase D.

3. Street O

a. Construct a full-street improvement where this street is located completely within Phase C and connect with Street V.

4. Big Rock Road

- a. Prepare a LOS analysis for the Big Rock Road/3rd Avenue NE intersection to determine whether a northbound left turn pocket is necessary for future conditions (full build out of DUV I and future development to east). Install improvements in accordance with the conclusions of the LOS analysis and approved by the City of Duvall
- b. A 5-foot wide temporary ACP sidewalk will be installed along the Phase D frontage to connect to the existing sidewalk west of the project unless the Phase D frontage had been previously completed.

5. Storm Drainage and Detention

a. Construct a detention vault within Phase F and size this vault so that it can also accommodate the stormwater volume from Phases A (if Phase A has been developed) and C. Install new outfall conveyance pipe extending from the detention vault west to Thayer Creek and mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe if not already constructed.

6. Grading

a. Surplus earth material from Phase C may be transported to Phase B and/or Phase F at the applicants' option in accordance with an approved grading plan and grading permit.

7. Water

a. Install the 330-zone and 450-zone water mains in 3rd Avenue NE from point of connection to the north boundary of the project. Alternatively, the applicant may elect to place a "dry" 450-zone water main in 3rd Avenue from Big Rock Road to the north boundary of the project with the understanding that the City will require a "maintenance bond" extension to two years after the date of the water main's activation and connection to the system.

8. Open Space

a. Construct the open space amenities in Tracts 988, 996 and 997.

PHASE D (Lots 72-84 and Tracts 990-994):

Road, Utility and Open Space Improvements

1. Big Rock Road

- a. Construct a one-half street improvement consistent with the preliminary plat. Install storm drainage and the necessary franchise utilities where this Phase abuts BRR.
- b. Prepare a LOS analysis for the Big Rock Road/3rd intersection to determine whether a northbound left turn pocket is necessary for future conditions (full build out of DUV I and future development to east). Install improvements in accordance with the conclusions of the LOS analysis and approved by the City of Duvall.
- c. If Phase D is constructed before Phase B, install the eastern half of the median and channelization along the frontage where Phase D abuts Big Rock Road (approximately 190 LF). If Phase D is constructed after Phase B, install the remaining median lying west of the 3rd Avenue NE/Big Rock Road intersection

2. 3rd Avenue NE

- a. Construct full street (curb-to-curb) improvements and the sidewalk and planter strip abutting Phase D from Big Rock Road to the south boundary of Tract 989. Improvement widths shall be consistent with the road section depicted on the preliminary plat drawings. The remaining frontage improvements (sidewalk and planter strip) on the opposite side of 3rd Avenue NE shall be completed as part of the abutting Phases.
- b. Complete the planter strip and sidewalk along the Phase D frontage unless previously constructed.

3. Street V

- a. Construct the planter strip and sidewalk along the Phase D frontage unless previously constructed.
- b. Construct a one-half street improvement, with planter strip and sidewalk along the Phase D frontage only unless previously constructed. Stub utilities as necessary for the future Phase C.

- 4. Street Y, Alley W, and Street O
 - a. Complete Street Y to the north property line and all of Alley W (Tract 994) and that portion of Street O within Phase D.
- 5. Tracts 991 and 992
 - a. Construct road and utility improvements within access tracts 991 and 992.
- 6. Open Space
 - a. Construct the open space improvements in Tract 990.
- 7. Storm Drainage and Detention
 - a. Construct the detention vault in Tract 992. Install new outfall conveyance pipe extending from the detention vault west to Thayer Creek if not already constructed.
 - b. Mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe.
- 8. Water
 - a. Install the 330-zone and 450-zone water mains in 3rd Avenue NE from point of connection to the south boundary of Tract 989. Alternatively, the applicant may elect to place a "dry" 450-zone water main in 3rd Avenue from Big Rock Road to the south boundary of Tract 989 in 3rd Avenue NE with the understanding that the City will require a "maintenance bond" extension to two years after the date of the water main's activation and connection to the system.

PHASE E (Lots 6-23 and Tract 989):

Road, Utility and Park Improvements

- 1. 3rd Avenue NE
 - a. Construct a full street (curb to curb only) improvement from Big Rock Road to the north boundary line of the plat and sidewalk and planter strip along the Phase E frontage. Improvement widths shall be consistent with the road section depicted on the preliminary plat drawings.
 - Construct a 5-foot wide temporary ACP sidewalk shall be installed on the Phase A and Phase G frontages unless previously constructed.
 - c. Prepare a LOS analysis for the Big Rock Road/3rd intersection to determine whether an eastbound left turn pocket is necessary for future conditions (full build out of DUV I and future development to east). Install improvements in accordance with the conclusions of the LOS analysis and approved by the City of Duvall.
- 2. Street O
 - a. Construct a one-half street improvement east of 3rd Avenue NE. where this road abuts Phase E and include the north curb return onto 3rd Avenue NE. Construct sidewalk and planter strip along the Phase E frontage
- 3. Street R
 - a. Construct a one-half street improvement and a temporary turn-around at the terminus of this street. (Additional width is necessary to accommodates on-street parking on the west side of Street R.)
 - b. Construct a temporary cutoff swale on the east side of Street R or other approved improvement to collect west-flowing drainage prior to future development to the east.

4. Big Rock Road

a. A 5-foot wide temporary ACP sidewalk will be installed along the Phase D frontage to connect to the existing sidewalk west of the project unless the Phase D frontage had been previously completed. An alterative pedestrian route within Phase D from Phase C to the existing sidewalk west of the project will be allowed if approved by the City of Duvall.

5. Storm Drainage and Detention

a. Construct a detention vault on Lot 2 to accommodate stormwater from this phase if not previously constructed. Install new outfall conveyance pipe extending from the detention vault west to Thayer Creek and mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe if not already constructed.

6. Water

a. Install the 450-zone water line in Big Rock Road, in 3rd Avenue NE and extend the 450-zone water main to NE 144th St unless previously installed. Install the 330-zone water system improvements within 3rd Avenue NE to the north boundary of the plat unless previously installed.

7. Grading

a. Surplus earth material from Phase E (including Tract 989) may be transported to Phase B and/or Phase F, if needed, at the applicants' option in accordance with an approved grading plan and grading permit.

8. Park (Tract 989)

a. Construct the one-acre neighborhood park and associated amenities.

9. Other Utilities

a. Construct utilities along the north boundary of the one-acre park to serve Phase E and future development to the east.

PHASE F (Lots 1 and 2):

Road and Utility Improvements

1. Big Rock Road

- a. Construct a one-half street improvement consistent with the preliminary plat. Install storm drainage and the necessary franchise utilities along the south side of BRR where this Phase abuts BRR.
- b. If Phase F is constructed before Phases A or G construct the western one-half of center median and channelization on Big Rock Road east of the intersection with 3rd Avenue NE (approximately 175 LF).
- c. If Phases A or G have been constructed before Phase F, complete any remaining center median planter strip and landscaping within Big Rock Road extending from 3rd Avenue NE to the east property line.
- d. A 5-foot wide temporary ACP sidewalk will be installed along the Phase B frontage to connect to the existing sidewalk west of the project unless the Phase B frontage had been previously completed.

- 2. NE 140th Street (Old Big Rock Road or OBBR)
 - a. Wonderland shall make the frontage improvements on Old Big Rock Road adjacent to commercial lot 1 as depicted in the Preliminary Plat drawings. Wonderland shall make the OBRR Payment(s) to the City as provided in paragraph 7.1 of the Development Agreement for the remainder of the OBRR improvements. The City shall be responsible for construction of those improvements, including frontage improvements adjacent to Tract 999 (sidewalk, curb, gutter, and railing as needed), any expansion of the travel way and full-width overlay.

3. Storm Drainage and Detention

a. Construct a detention vault on Lot 2 sized with sufficient capacity to accommodate all future commercial development proposed on Lots 1, 2 and 5. Install new outfall conveyance pipe extending from the detention vault west to Thayer Creek and mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe if not already constructed.

4. Water

 a. Install the 330-zone and 450-zone water mains as necessary, to support the phase if not previously installed.

5. Grading

a. Surplus earth material from Phase A (lot 4), Phase C, Phase E (including Tract 989) Phase G (lot 5) may be transported to Phase B and/or Phase F at the applicants' option in accordance with an approved grading plan and grading permit.

PHASE G (Lot 5):

Road and Utility Improvements

1. Big Rock Road

- Construct a one-half street improvement along the north side of BRR where Phase G
 abuts BRR consistent with the preliminary plat.
- b. If Phase G is constructed before Phases A or F, install the western half of the median and channelization on Big Rock Road east of the intersection with 3rd Avenue NE (approximately 190 LF).
- c. If Phase G is constructed after Phase A or F, install any remaining center median planter strip and landscaping within Big Rock Road lying east of the 3rd Avenue NE/Big Rock Road intersection to the east property line.

2. Storm Drainage and Detention

a. Construct a detention vault on Lot 2 sized to accommodate development on Phase G. Install new outfall conveyance pipe extending from the detention vault west to Thayer Creek and mitigate for any Thayer Creek impacts associated with the installation of the new outfall and conveyance pipe if not already constructed.

3. Grading

a. Surplus earth material from Phase G (lot 5) may be transported to Phase B and/or Phase F at the applicants' option in accordance with an approved grading plan and grading permit.

4. Water

a. Install the 330-zone and 450-zone water mains as necessary along BRR to the west limit of this phase if not previously installed.

5. Other Utilities

a. Construct revised access drive and utility connections to existing residence unless previously completed. Toll will cooperate with Wonderland as reasonably necessary in this process.

General:

Portions of the site deferred to a later phase for development but disturbed by overall site grading shall be rough graded in accordance with an approved grading plan so as to be reasonably level, hydro-seeded and mowed semi-annually.

Install signals and associated signal infrastructure at the intersection of BRR and 3rd Avenue NE during the phase which causes the two-way stop-controlled movement (north/south on 3rd Ave. NE) to operate below LOS C, or the last DUV I phase, whichever occurs first. All road improvements installed prior to signal installation shall be designed and constructed to accommodate the signal.

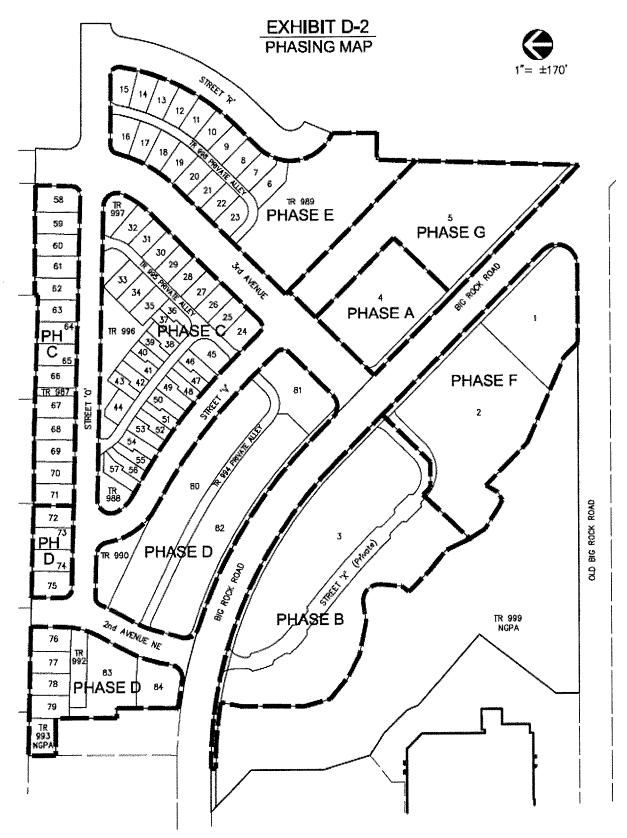


Exhibit D-2 to Development Agreement

EXHIBIT E

1			
Impact Fee Share (%)	21%	76%	% 83%
TIF Eligible?	Yes	Yes	Yes
Total Project Costs (\$)	\$ 2,570,058.08	\$ 2,261,012.13	\$ 2,098,164.71
Contingency Cost Factor (%)	0.3	0.3	0.3
Total Unfactored Project Cost (\$)	\$1,976,967.75	\$1,739,240.10 (1, 2)	\$1,613,972.85
Roadway Costs (\$)	\$1,610,592.75	\$1,739,240.10	\$906,872.85
ROW Costs (\$)	\$366,375.00	(Z) 98	\$707,100.00
Project Description	Reconstruct roadway to minor arterial standards to improve channelization and capacity to accommodate growth including outb, gutter, sidewalk, curbbulbs, bike lanes, and on-street parkingfurn lanes/medians within commercial or residential areas as required. Project will include storm drainage system improvements.	Construct new collector arterial segment to provide connection and capacity to serve growth including two travel lanes, curb, gutter, sidewalk, curb-bulbs, blike lanes and on-street parking/tum lanes/medians within commercial or residential areas as required. Project will include storm drainage system improvements.	Construct new collector arterial segment to provide connection and capacity to accommodate growth including acquisition of right-chway, road, bike lare, parking, curb, gutter, sidewalk, and storm drainage system. Alignment will need to consider wetlands and property ownership.
Project Type	Minor widening/ reconstruction	New roadway	New roadway
Project Limits	Main Street NE to 3rd Avenue NE	NE 143rd Place to NE Big Rock Road	NE 143rd Place to NE Big Rock Road
Project Name	NE Big Rock Road	3rd Avenue NE Extension	2nd Avenue NE Extension
9	13	9	36

The value of the credit available will be reduced by the value of the 8,802 square feet of excess vacated right-of-way on 3rd Avenue NE (8,802 square feet times \$15 SF).

No ROW credit shall be given for ROW dedicated as part of the 3rd Avenue NE vacation up to the northern boundary of the DUV I project. Full ROW credit at \$15 per square foot shall be given for any additional off-site right-of-way that may be required £8

Exhibit E to Development Agreement

BW 207 -TW 212 BW 208 BW 185 STAIRS STREET 18" STREETSCAPE: PLANTING MEDIAN, STREET TREES AT 40 FT ON CENTER - VIEWING PLATFORM (FOUNTAIN EQUIPMENT ROOM BELOW) PLAY AREA Noser Construction of the formation of the for TISEDWOOD CONTRACTOR OF THE CO BW 155 **Conceptual Park Design** 7 FT WIDE WALKING PATH OPEN PLAY WATER PLAY —TW 203 BW 194 ——— FENCE -ADA RAMP 1:12 LTW 191 BW 182 PHASE H

URBAN VILLAGE PARK - plan EXHIBIT F-1 - DUVALL, WA - february 2012

80 FEET

\$

WALL

Exhibit F-1 to Development Agreement

EXHIBIT F-2 TRACT 989 PARK AMENITIES

The Tract 989 Park design and amenities shall be substantially similar to the design set out in **Exhibit F-1** and in this **Exhibit F-2**, provided that the amenities to be included in the final park design shall be subject to paragraphs 8.1, 8.1.1 and 8.1.2 of the Development Agreement.

PARK AMENITIES

- Open Play Area/Lawn/Circular Walkway with a minimum size of approximately 15,000 SF and not
 to exceed 5% slope (based upon the design in Exhibit F-1 and subject to the City granting
 modifications required to achieve this square footage)
- Entry Plaza
- Pathways
- Viewing Platform
- Play Area(s) with Play Equipment (e.g. play structure, etc.)
- Water Play Area
- Bike Racks
- Seating (e.g. benches, sitting wall)
- Barbeque
- · Fencing as needed
- Shaded Area or Shelter
- Landscaping
- Path lighting

OTHER CONSIDERATIONS

- The City will exercise flexibility and grant modifications from design standards for such items as
 location and height of retaining walls and allowing grade of 2:1 or 2.5:1 in appropriate areas as
 depicted on Exhibit F-2, and allow angle or head in parking adjacent to the park instead of parallel
 parking and other approvals if they will result in a public benefit.
- Features can be combined.
- The Park shall comply with preliminary plat requirements, including required parking, applicable code requirements (subject to City approval of deviations) and other applicable requirements such as ADA.